

# Avon Lake City School District

Fiscal Year  
**2025**  
November

Five Year  
Forecast  
Report



Prepared By:

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Avon Lake City School District

# Table of Contents

<b>Forecast Summary</b>	3
<b>Forecast Analysis</b>	4
<b>Revenue Overview</b>	5
1.010 - General Property Tax (Real Estate)	6
1.020 - Public Utility Personal Property	7
1.030 - Income Tax	8
1.035 - Unrestricted Grants-in-Aid	9
1.040 & 1.045 - Restricted Grants-in-Aid	10
1.050 - State Share-Local Property Taxes	11
1.060 - All Other Operating Revenues	12
2.070 - Total Other Financing Sources	13
<b>Expenditures Overview</b>	14
3.010 - Personnel Services	15
3.020 - Employee Benefits	16
3.030 - Purchased Services	17
3.040 - Supplies and Materials	18
3.050 - Capital Outlay	19
3.060 - 4.060 - Intergovernmental & Debt	20
4.300 - Other Objects	21
5.040 - Total Other Financing Uses	22
<b>Five Year Forecast</b>	23
<b>Appendix</b>	
Financial Health Indicators	24

## Forecast Purpose/Objectives

Ohio Department of Education and Workforce's purposes/objectives for the five-year forecast are:

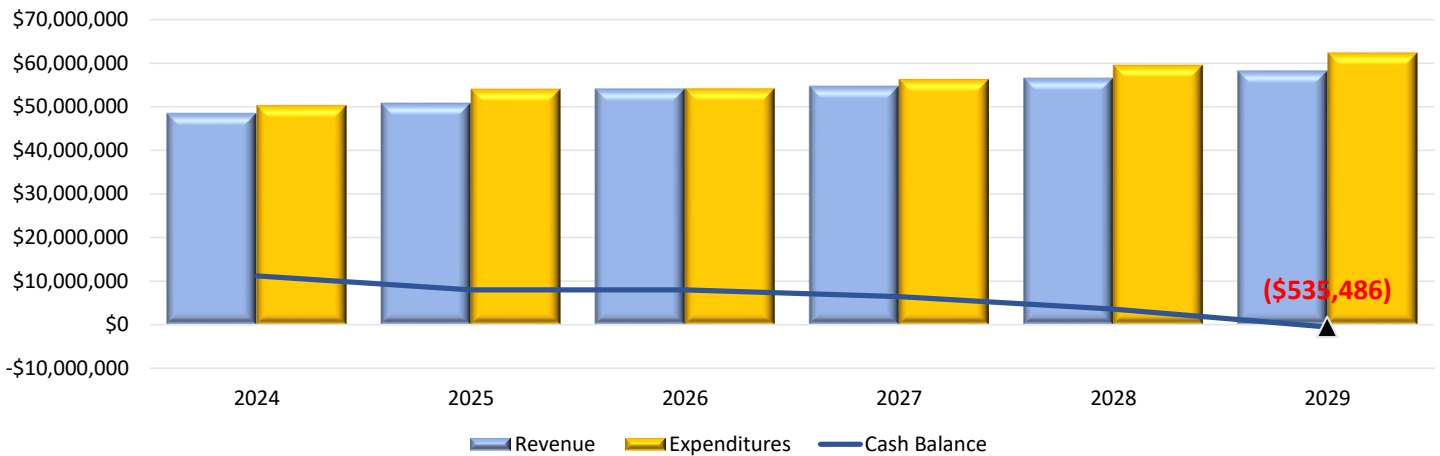
1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

## Forecast Methodology

This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year, and while cash flow monitoring helps to identify unexpected variances, no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

# Forecast Summary

## Projected Revenue, Expenditures, and Cash Balance



## Financial Forecast Summary

	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Beginning Balance (Line 7.010)	11,191,012	7,994,965	7,978,660	6,451,693	3,544,350
+ Renewal/New Levies Modeled					
+ Revenue	50,798,287	54,079,428	54,700,965	56,548,948	58,191,384
- Expenditures	(53,994,334)	(54,095,733)	(56,227,932)	(59,456,290)	(62,271,220)
= Revenue Surplus or Deficit	(3,196,047)	(16,305)	(1,526,967)	(2,907,342)	(4,079,836)
Line 7.020 Ending Balance with Renewal/New Levies	7,994,965	7,978,660	6,451,693	3,544,350	(535,486)

## Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2029, the cash balance is projected to decline by a total of \$11,726,498 compared to 2024. For fiscal year 2029, expenditures are currently projected to exceed revenue, resulting in a revenue shortfall the final year of the forecast period.

For revenue, projected change is expected to be greater than the historical average. Over the past five years, revenue increased by 3.08% (\$1,363,489 annually). However, it is projected to increase by 3.74% (\$1,942,855 annually) through fiscal year 2029. Notably, Real Estate, is expected to be \$1,062,540 more per year compared to history, and is the biggest driver of trend change on the revenue side.

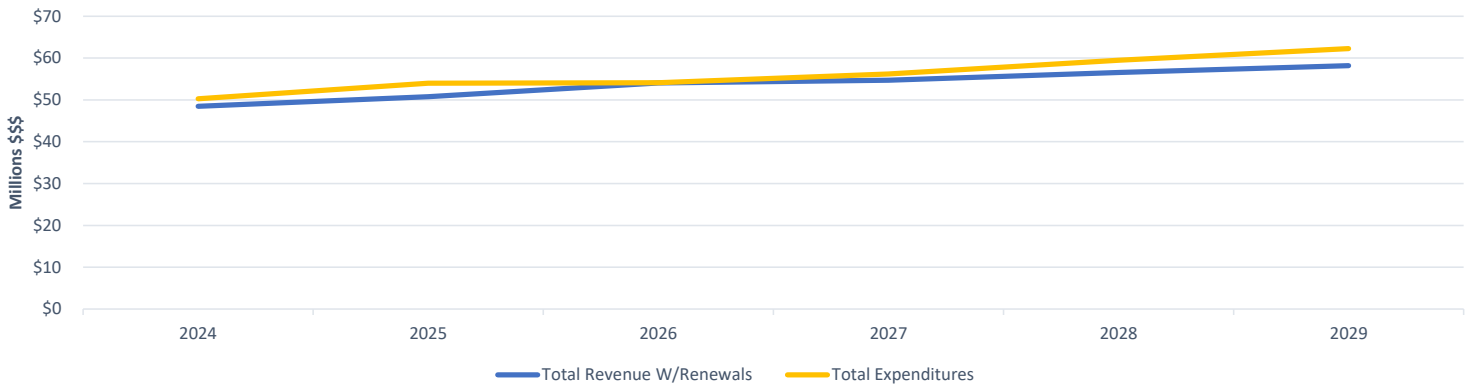
For expenses, projected change is forecasted to increase at a faster pace than the historical trend. Expenditures increased by 3.41% (\$1,549,096 annually) during the past 5-year period, and are projected to increase by 4.77% (\$2,400,106 annually) through 2029. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$640,883 more per year in the projected period compared to historical averages.

School districts are required to submit a 5 Year Forecast that has been approved by the Board of Education to the Ohio Department of Education and Workforce annually in November and May. Due to the timing of the November 2024 election and deadline to submit the November 2024 Forecast the district may have to update the Forecast if there are material changes made prior to May 2025. The levy failures will require the district to make additional reductions to expenditures. No new operating levies are modeled in the November Forecast.

Disclosure Items:	2025	2026	2027	2028	2029
Modeled Renewal Levies - Annual Amount	-	-	-	-	-
Modeled New Levies - Annual Amount	-	-	-	-	-
Encumbrances (not subtracted from Cash Balance)	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

# Forecast Analysis

## Revenue Compared to Expenditures

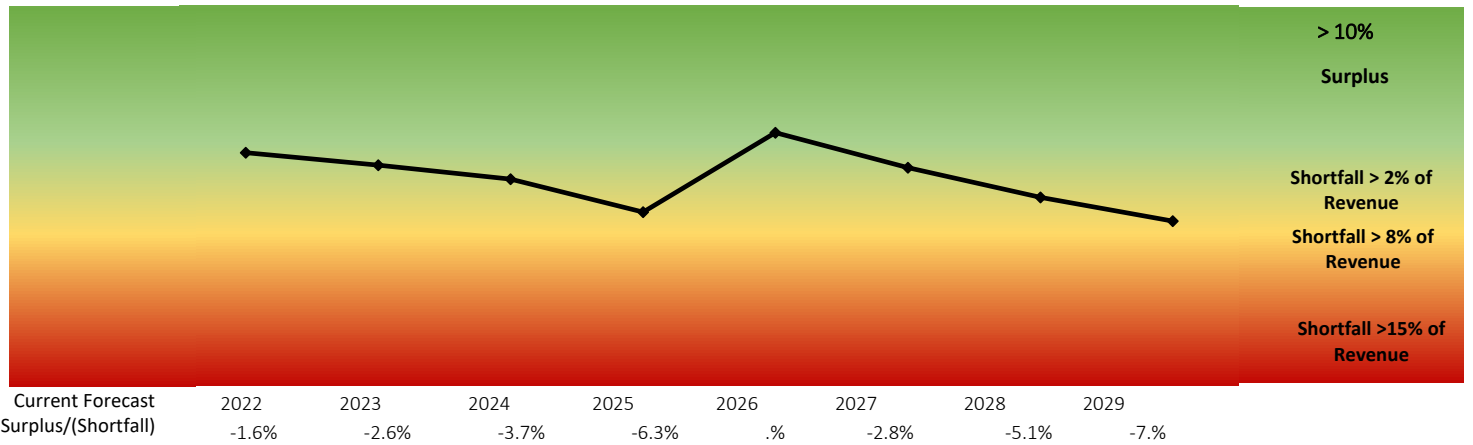


From 2025 to 2029, total revenues are projected to change by 3.74%

Expenditure change is expected to outpace revenue change.

From 2025 to 2029, total expenses are projected to change by 4.40%

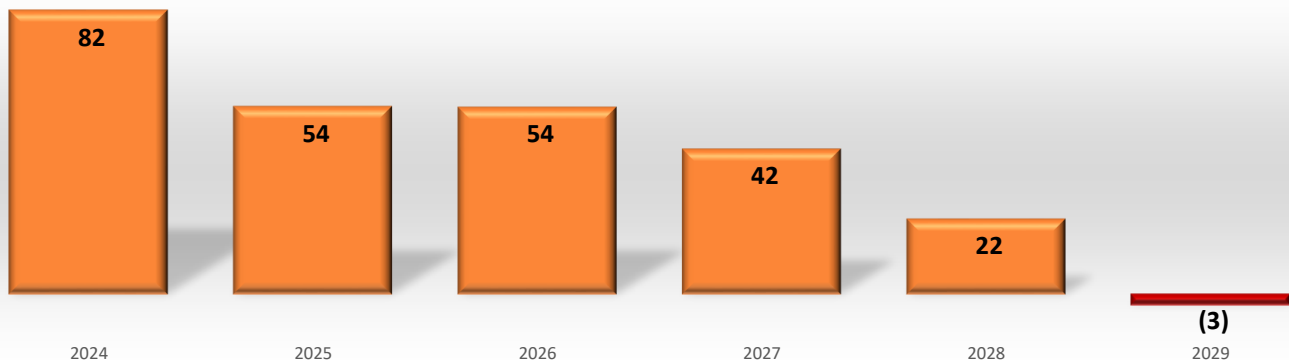
## Revenue Surplus/(Shortfall) as a Percentage of Revenue



The district is trending toward revenue shortfall with the expenditures growing faster than revenue. A revenue increase of 7.01% is needed to balance the budget in fiscal year 2029, or a \$4,079,836 reduction in expenditures.

- The largest contributor to the projected revenue trend is the change in Real Estate.
- The expenditure most impacting the changing trend is Salaries.

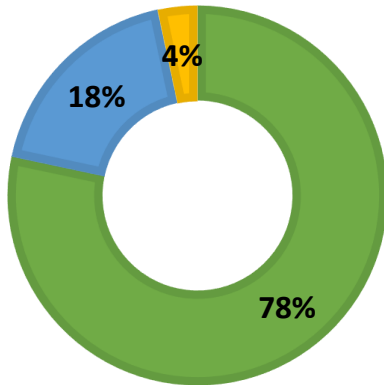
## Days Cash on Hand at Fiscal Year-end



\*based on 365 days

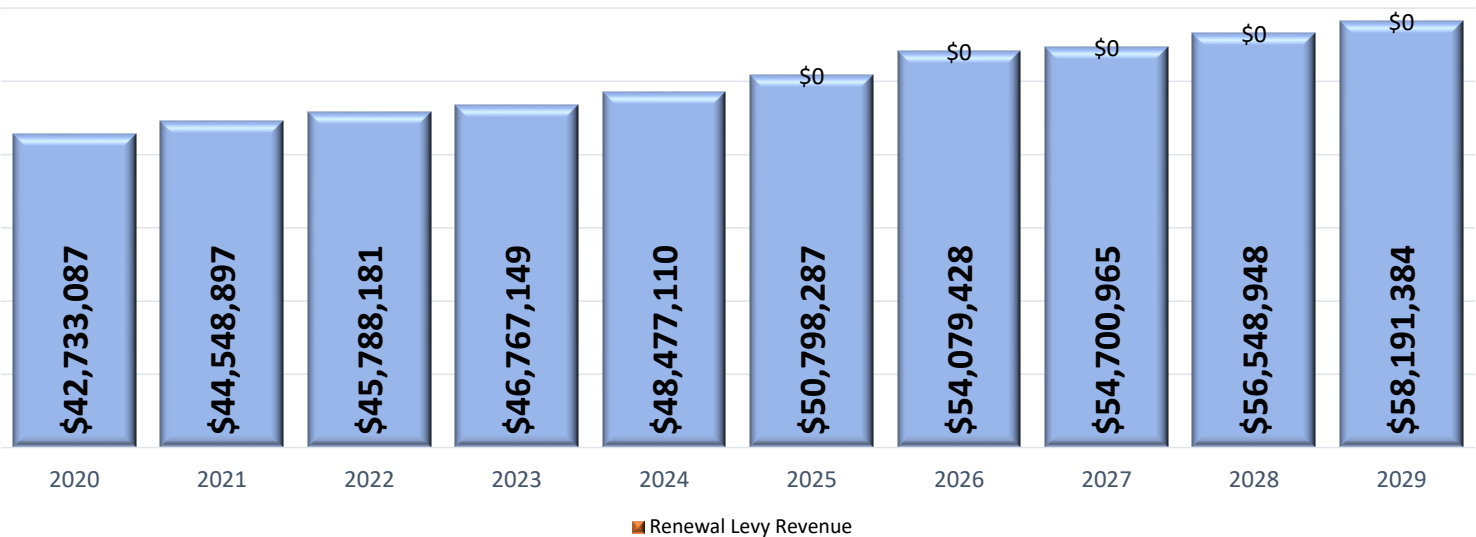
# Revenue Overview

## Revenue Sources



Local Taxes	
Real Estate Tax	71.01%
Public Utility Tax	7.32%
Income Tax	0.00%
State Sources	
State Funding	8.04%
Restricted Aid	0.75%
State Share of Local Tax	9.50%
All Other Revenue	
Other Revenue	2.73%
Other Sources	0.65%

## Annual Revenue Actual + Projected



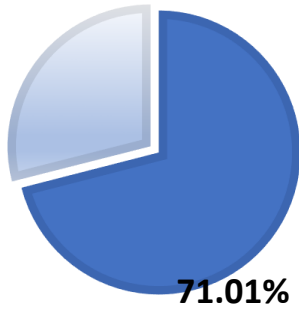
## Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	
Real Estate	\$861,794	\$1,924,334	\$1,062,540	Over the past five years, revenue increased by 3.08% (\$1,363,489 annually). However, it is projected to increase by 3.74% (\$1,942,855 annually) through fiscal year 2029. Notably, Real Estate, is expected to be \$1,062,540 more per year compared to history, and is the biggest driver of trend change on the revenue side.  No new operating levies are modeled.
Public Utility	\$152,862	(\$46,681)	(\$199,543)	
Income Tax	\$0	\$0	\$0	
State Funding	\$99,163	\$133,491	\$34,328	
State Share of Property Tax	\$85,089	\$270,197	\$185,108	
All Othr Op Rev	\$137,515	(\$249,364)	(\$386,879)	
Other Sources	\$27,067	(\$89,122)	(\$116,189)	
<b>Total Average Annual Change</b>	<b>\$1,363,489</b> 3.08%	<b>\$1,942,855</b> 3.74%	<b>\$579,366</b> 0.66%	

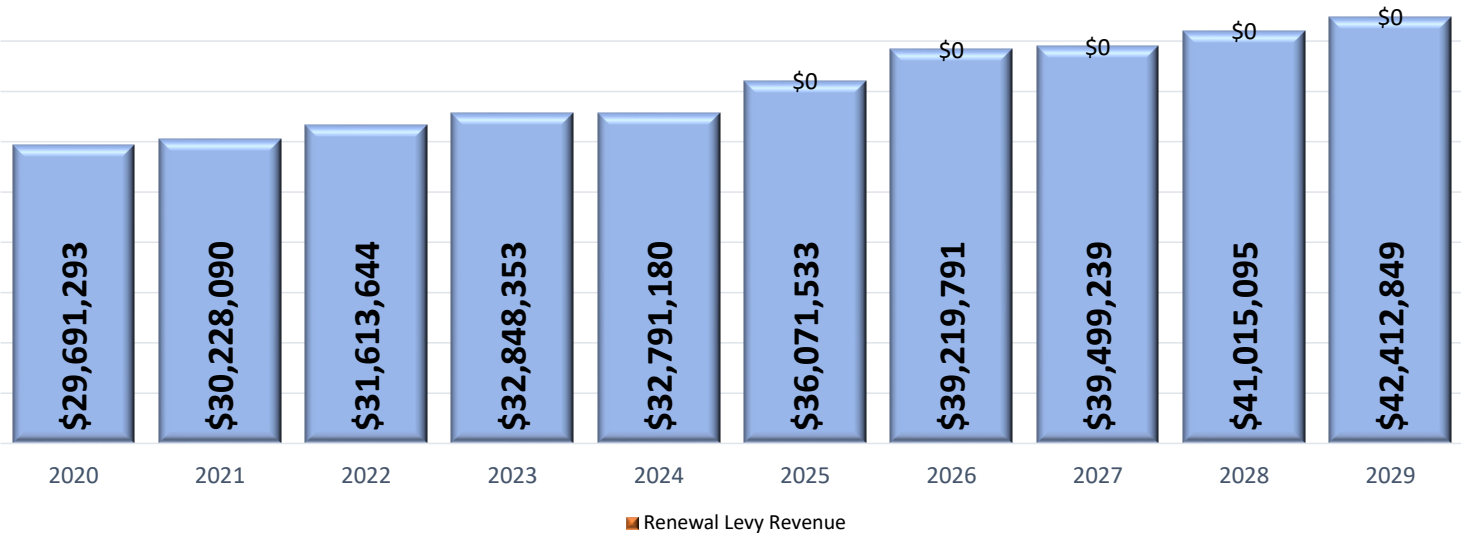
For Comparison:  
 Expenditure average annual change is projected to be > \$2,400,106 On an annual average basis, expenditures are projected to grow faster than revenue.

### 1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



Real estate property tax revenue accounts for 71.01% of total district general fund revenue.



#### Key Assumptions & Notes

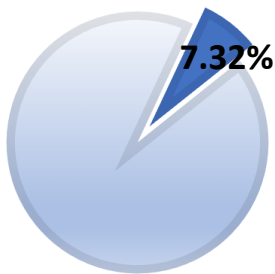
Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	
2023	1,125,220,380	10,889,050	33.06	-	43.26	-	96.6%
2024	1,415,038,196	289,817,816	30.56	(2.50)	39.45	(3.82)	100.0%
2025	1,425,588,196	10,550,000	30.55	(0.01)	39.50	0.05	100.0%
2026	1,436,138,196	10,550,000	30.55	(0.01)	39.55	0.05	100.0%
2027	1,586,010,674	149,872,478	29.65	(0.90)	37.14	(2.41)	100.0%
2028	1,596,560,674	10,550,000	29.64	(0.01)	37.19	0.05	100.0%

Class I, or residential/agricultural taxes make up approximately 84.89% of the real estate property tax revenue. The Class I tax rate is 30.56 mills in tax year 2024. The projections reflect an average gross collection rate of 100.0% annually through tax year 2028. The revenue changed at an average annual historical rate of 2.87% and is projected to change at an average annual rate of 5.34% through fiscal year 2029.

The power plant closed in 2022 and the property value was reduced to \$12 million for TY23. In 2023 Great Lakes Senior Living was granted a partial exemption from the State for TY20-22 resulting in a \$835,000 refund the district had to pay back to Great Lakes Senior Living since taxes were previously paid based on the full value of the property. Lorain County experienced reappraisal in 2024. A 27% increase in Class I residential values is projected; however, the State will not certify values until the end of December. A 27% increase in Class I (residential) values. The district is at the 20 mill floor, so is benefiting from inflationary growth on fixed rate levies. No new operating levies are modeled.

### 1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



Public Utility Personal Property tax revenue accounts for 7.32% of total district general fund revenue.



#### Key Assumptions & Notes

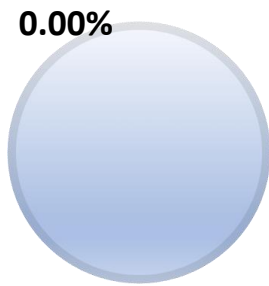
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2023	59,151,120	(5,033,440)	62.32	0.03	145.1%
2024	62,770,360	3,619,240	59.82	(2.50)	100.0%
2025	63,770,360	1,000,000	59.81	(0.01)	100.0%
2026	64,770,360	1,000,000	59.81	(0.01)	100.0%
2027	65,770,360	1,000,000	58.91	(0.90)	100.0%
2028	66,770,360	1,000,000	58.90	(0.01)	100.0%

The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2024 is 59.82 mills. The forecast is modeling an average gross collection rate of 100.00%. The revenue changed historically at an average annual dollar amount of \$152,862 and is projected to change at an average annual dollar amount of -\$46,681 through fiscal year 2029.

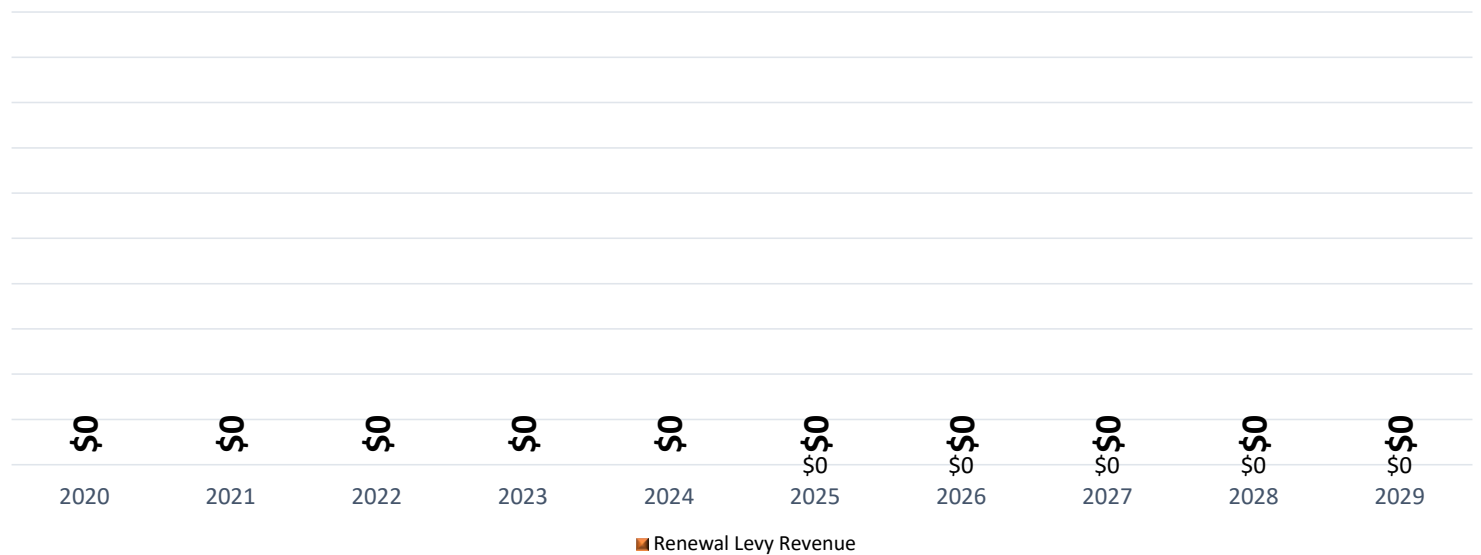
The power plant paid their taxes late in FY20; therefore, both real estate and PUPP revenue are understated in FY20 and overstated in FY21. The power plant closed in April 2022 resulting in a \$17 million reduction in value and the remaining \$4.6 million being eliminated in TY23. A nominal increase in value is modeled in the Forecast for the remaining PUPP taxpayers (Columbia Gas, American Transmission and Cleveland Electric Illuminating Co.) for FY26-FY29.

### 1.030 - School District Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



The district does not have a School District Income Tax levy.



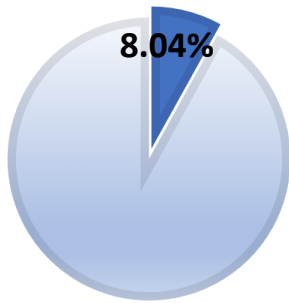
#### Key Assumptions & Notes

The district does not have an income tax levy.

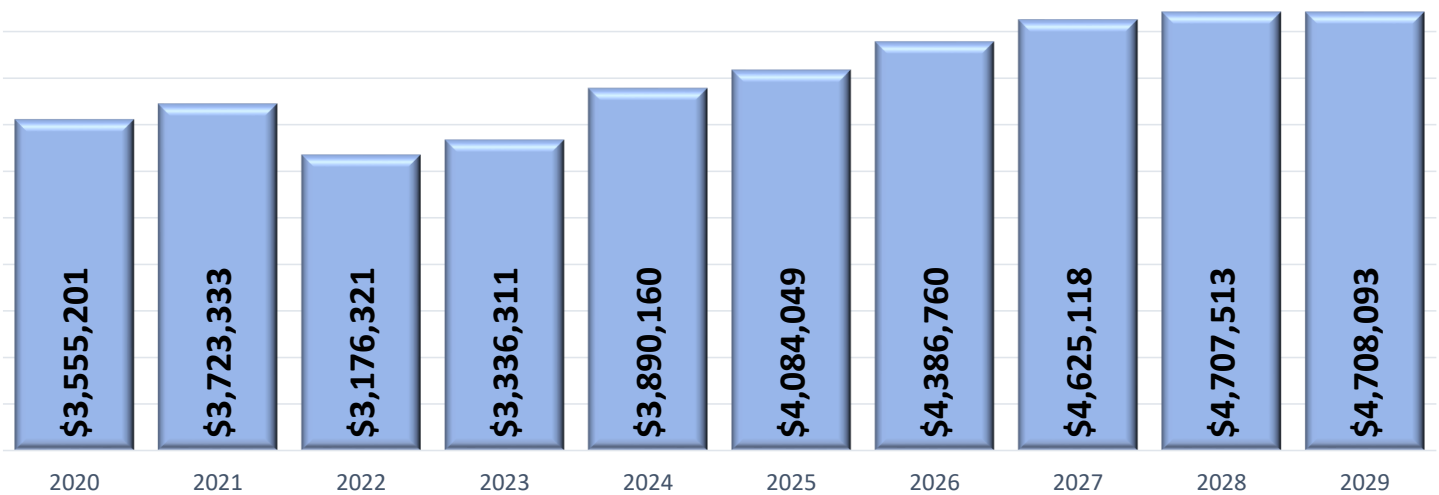


### 1.035 - Unrestricted Grants-in-Aid

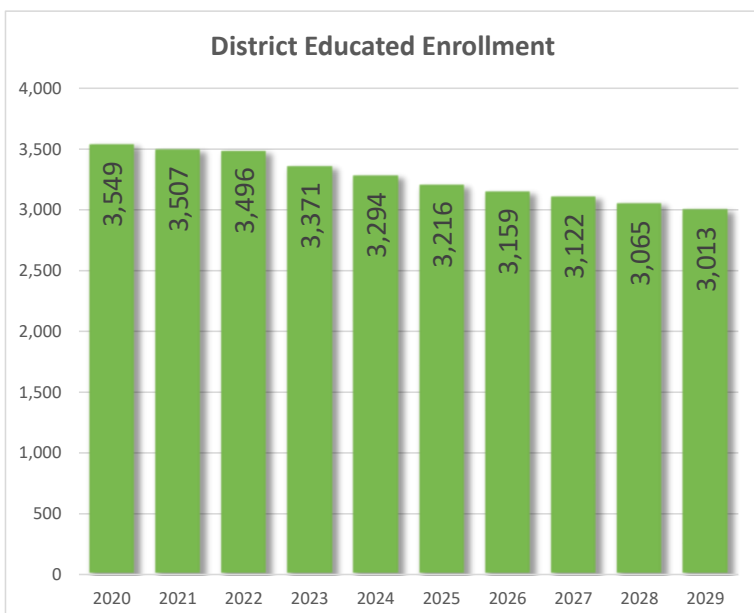
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 8.04% of total district general fund revenue.



#### Key Assumptions & Notes



Beginning in fiscal year 2022, Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

For Avon Lake City School District, the calculated Base Cost total is \$27,373,990 in 2025.

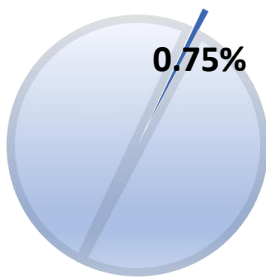
The State's Share of the calculated Base Cost total is \$2,599,296, or \$808 per pupil.

The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

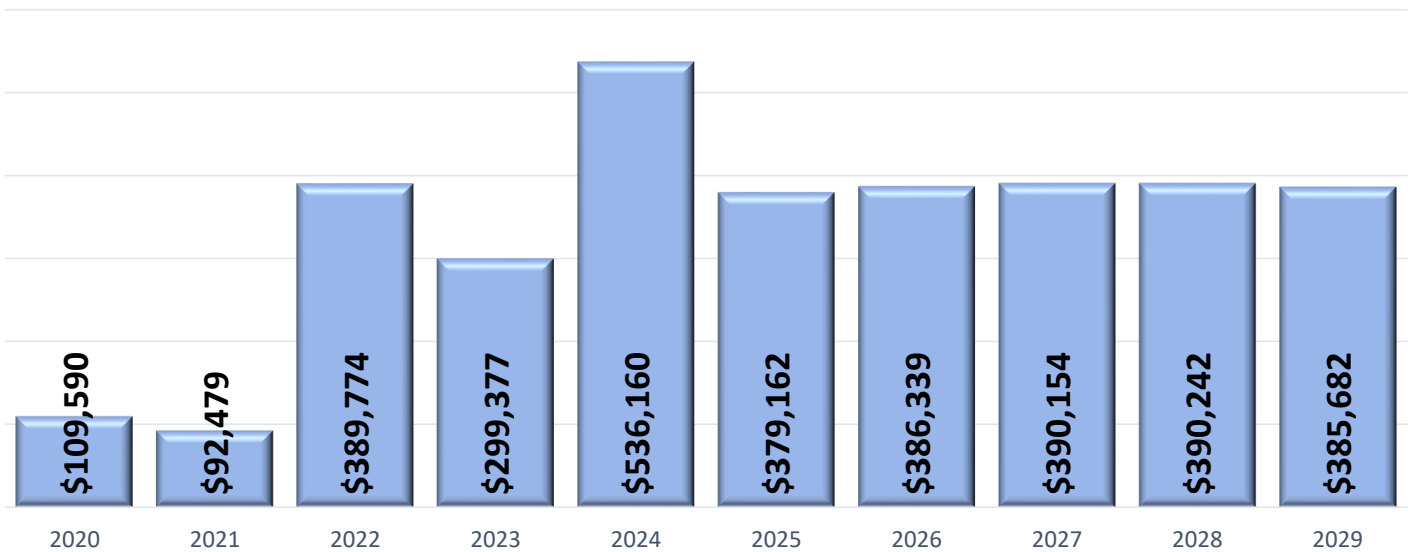
Preschool students are not included in the District Educated Enrollment chart to the left.

### 1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



Restricted State Aid revenue accounts for 0.75% of total district general fund revenue.



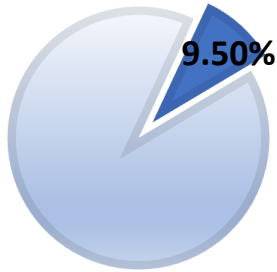
#### Key Assumptions & Notes

Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$147,894 and is projected to change annually on average by -\$30,096. Restricted funds represent 0.75% of the district's total revenue. Starting in fiscal year 2022, the district's Success & Wellness funding became restricted; the state's share of this funding recorded as restricted is \$116,078. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

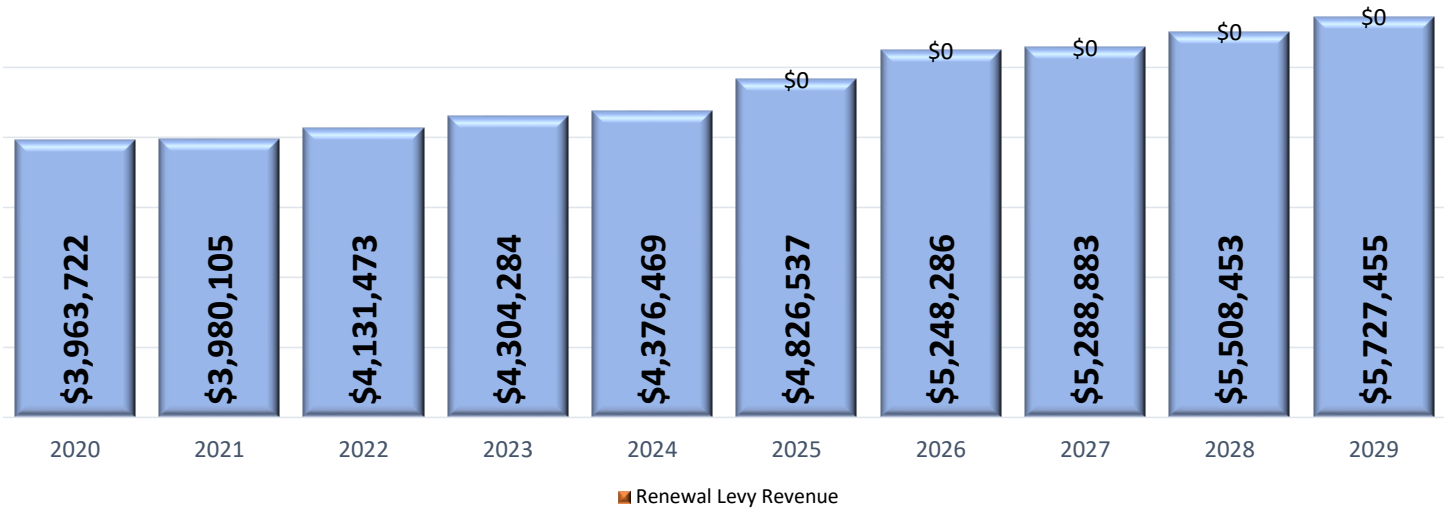
In FY24 the district received \$157,045 in High Quality Instructional Materials funding from the State of Ohio. A BWC Safety Intervention Grant was also received in FY24 for \$28,312. These funds are not expected to be received beyond FY24.

### 1.050 - State Share of Local Property Taxes

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



State Share of Local Property tax revenue accounts for 9.50% of total district general fund revenue.

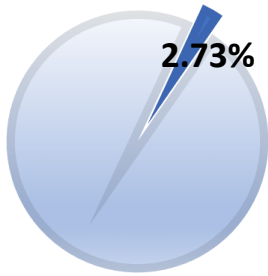


#### Key Assumptions & Notes

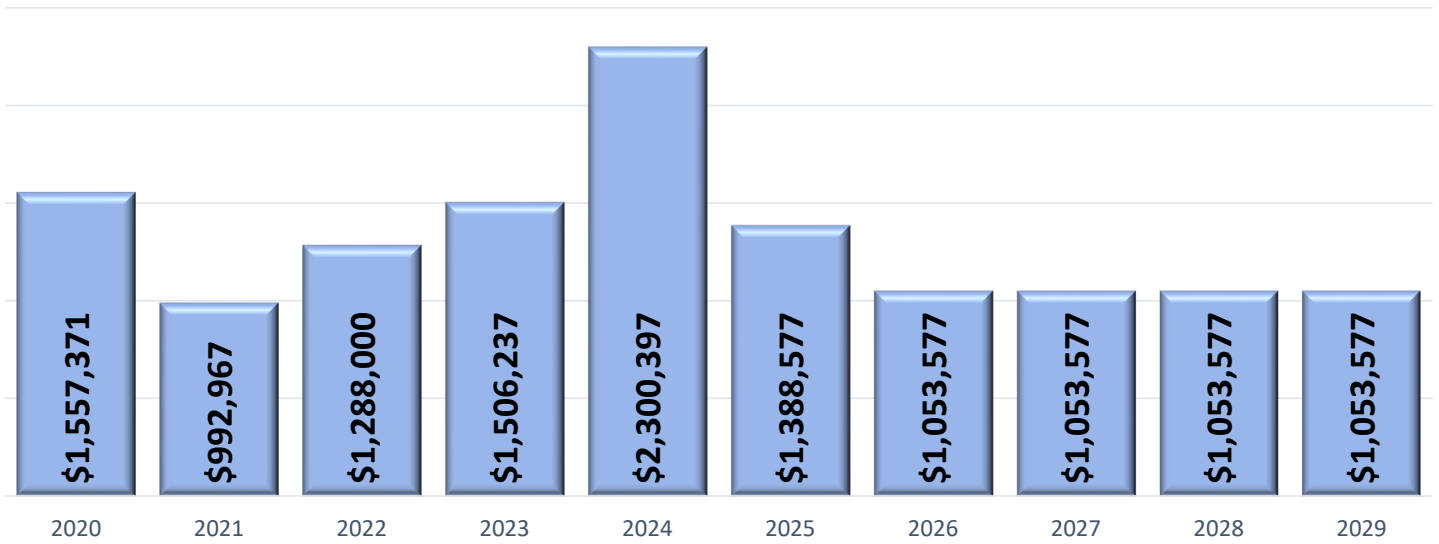
State Share of Local Property Taxes primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2025, approximately 12.1% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 1.1% will be reimbursed in the form of qualifying homestead exemption credits.

### 1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



All Other Revenue accounts for 2.73% of total district general fund revenue.



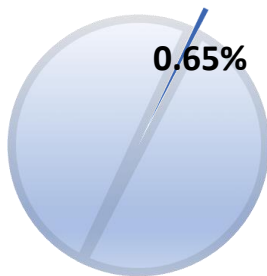
#### Key Assumptions & Notes

Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was \$137,515. The projected average annual change is -\$249,364 through fiscal year 2029.

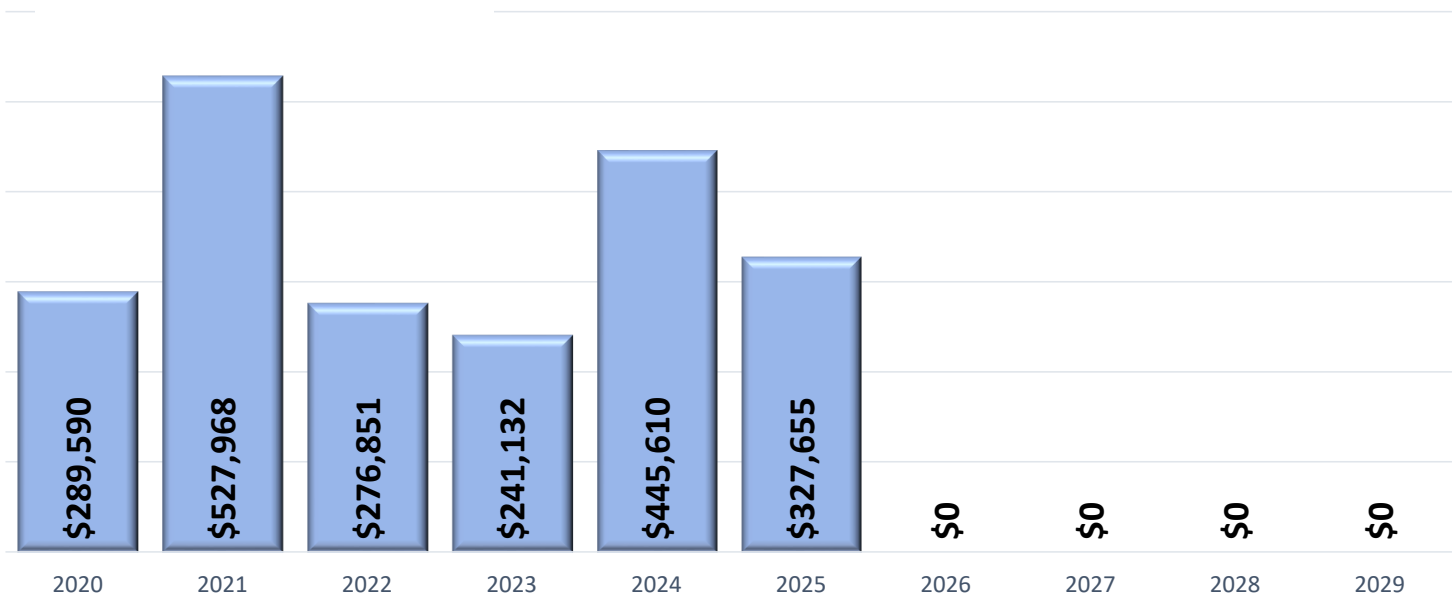
The district had a catastrophic chiller failure at the High School, which resulted in insurance claim of \$808,487 in FY24. Investment earnings yielded \$277,647 more in FY24 than FY23. A reduction in full day kindergarten tuition has been factored into the Forecast as the district will no longer offer a full day kindergarten option in FY26.

## 2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



Other Sources of revenue accounts for 0.65% of total district general fund revenue.



### Key Assumptions & Notes

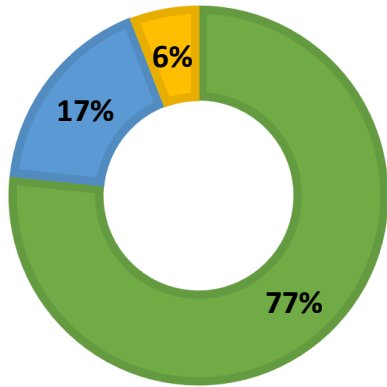
	FORECASTED					
	2024	2025	2026	2027	2028	2029
Transfers In	12,512	8,193	-	-	-	-
Advances In	423,208	284,173	-	-	-	-
All Other Financing Sources	9,891	35,289	(0)	(0)	(0)	(0)

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2024 the district receipted \$423,208 as advances-in and is projecting advances of \$284,173 in fiscal year 2025. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$35,289 in 2025 and average \$0 annually through 2029.

The district is not permitted by law to have a negative cash or unencumbered balance in any fund at fiscal year end. Timing of receipts can contribute to a negative cash balance, as well as, open purchase orders creating negative unencumbered balances at fiscal year end. Advances from the General Fund are needed to cover the negative balances in other Funds until the anticipated revenue is received. Once received the advances are returned to the General Fund. Since these timing issues are unknown until the end of the fiscal year there are no advances projected beyond what has already occurred in FY25.

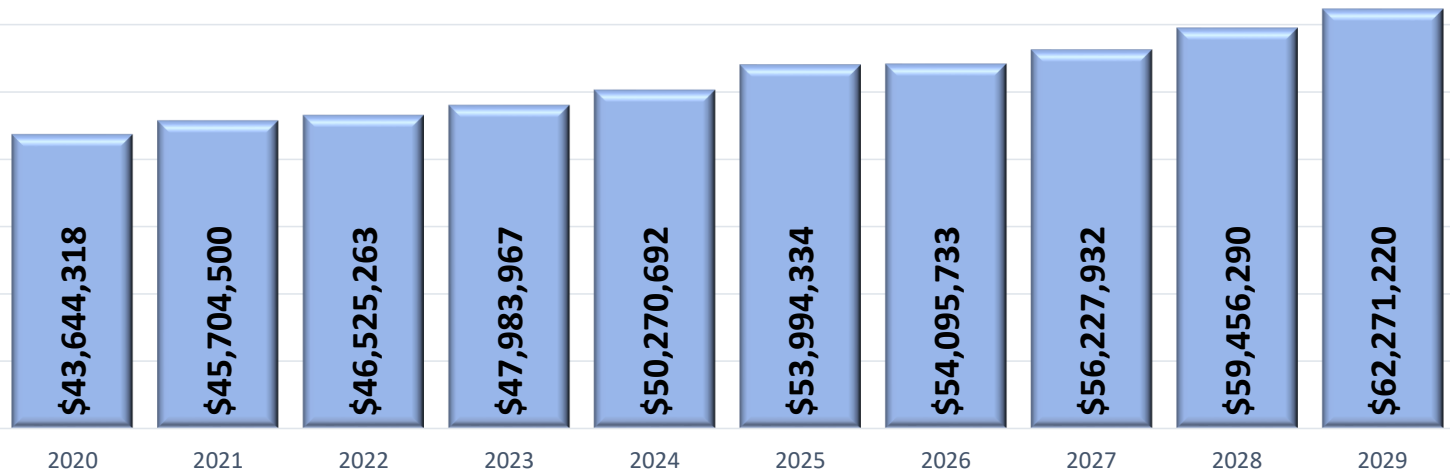
# Expenditure Overview

## Expenditure Categories



<b>Personnel Costs</b>	
Salaries	54.11%
Benefits	22.52%
<b>Purchased Services</b>	17.49%
<b>All Other Expenditures</b>	
Supplies, Capital, Debt, Other Obj	5.88%
Other Uses	0.00%

## Annual Expenditures Actual + Projected



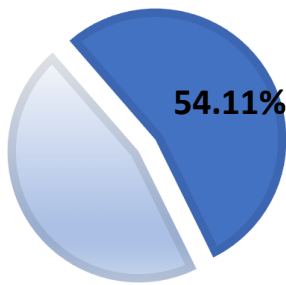
## Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Expenditures increased by 3.41% (\$1,549,096 annually) during the past 5-year period, and are projected to increase by 4.77% (\$2,400,106 annually) through 2029. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$640,883 more per year in the projected period compared to historical averages.
Salaries	\$645,219	\$1,286,102	\$640,883	
Benefits	\$402,406	\$1,034,312	\$631,906	
Purchased Services	\$464,266	\$41,990	(\$422,276)	
Supplies & Materials	(\$16,702)	\$115,560	\$132,262	
Capital Outlay	\$62,979	(\$8,458)	(\$71,437)	
Intergov & Debt	\$0	\$0	(\$0)	
Other Objects	(\$37,801)	(\$544)	\$37,256	
Other Uses	\$28,729	(\$68,856)	(\$97,585)	
<b>Total Average Annual Change</b>	<b>\$1,549,096</b> 3.41%	<b>\$2,400,106</b> 4.40%	<b>\$851,009</b> 0.99%	

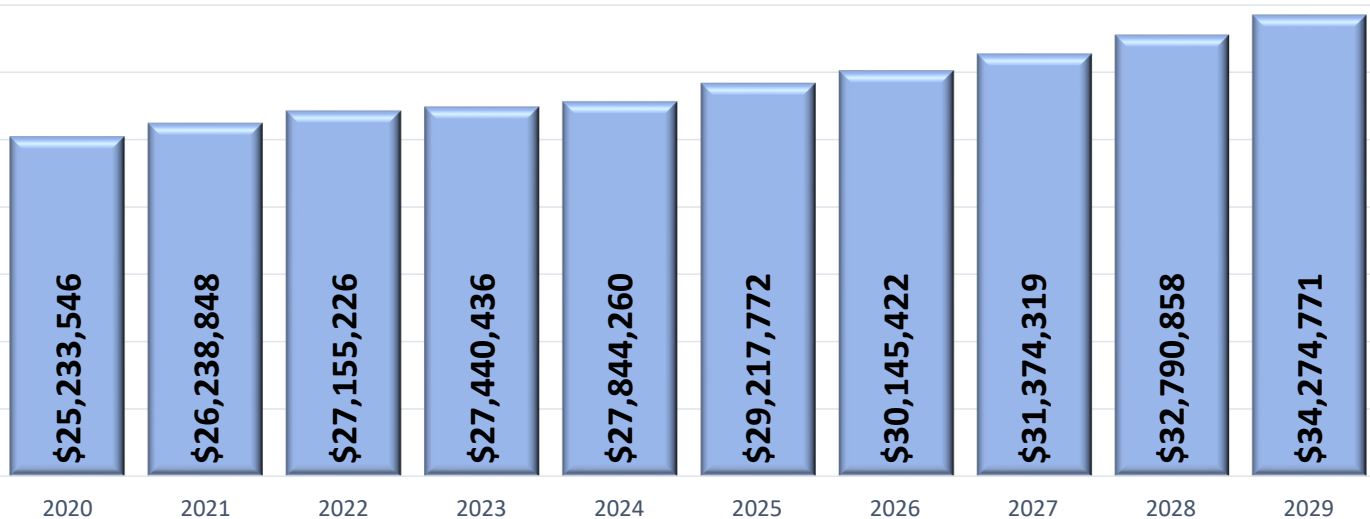
For Comparison:  
 Revenue average annual change is projected to be > \$1,942,855 On an annual average basis, revenues are projected to grow slower than expenditures.

### 3.010 - Personnel Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.



Salaries account for 54.11% of the district's total general fund spending.



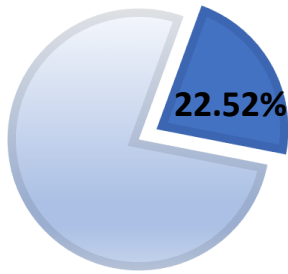
#### Key Assumptions & Notes

Salaries represent 54.11% of total expenditures and increased at a historical average annual rate of 2.50% (or \$645,219). This category of expenditure is projected to grow at an annual average rate of 4.24% (or \$1,286,102) through fiscal year 2029. The projected average annual rate of change is 1.75% more than the five year historical annual average.

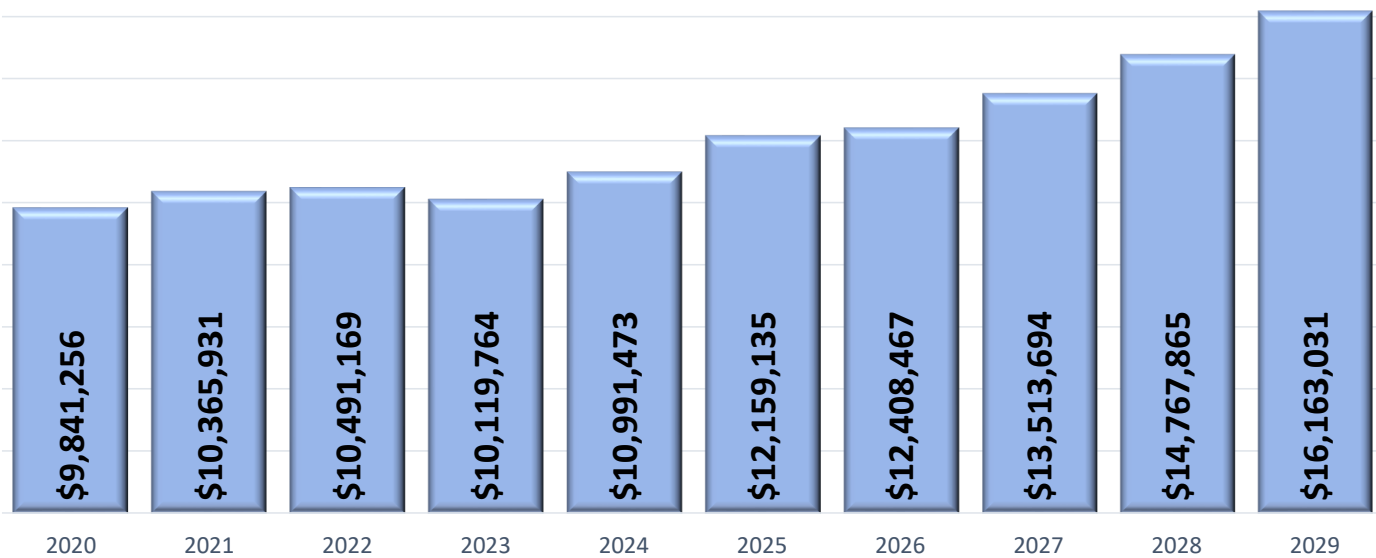
Salaries account for the largest single component of the district's total expenditures. The district has two labor unions: the Avon Lake Education Association (ALEA) and the Ohio Association of Public School Employees (OAPSE). Recent negotiations resulted in a 3 year contract with both unions. ALEA and OAPSE have collaboratively worked with the Board as its faced funding challenges over the past 12 years (phase out of TPP State reimbursement, large revenue reductions related to reduced valuations and reductions associated with the closure of the power plant). The result of the funding challenges was our wages had become less competitive than our comparable districts. ALEA wage increases range from 3.9% in FY25 to 2% FY27. OAPSE's base increased by \$1.50 for FY25, \$0.50 for FY26 and \$0.25 for FY27. Annual step increases were also negotiated for both unions. Salaries are projected to increase in response to employee experience levels, educational levels, base and step increases throughout FY28. Federal funding has been used to offset some General Fund salary expenses in FY 2021-2024. In FY25 the General Fund will see increased personnel costs since all pandemic Federal funding has been exhausted. As a result of the November 2024 levy failures the district has factored in staff savings in areas identified at this point in time. Additional staff reductions will be needed to reduce personnel costs.

### 3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



Benefits account for 22.52% of the district's total general fund spending.



#### Key Assumptions & Notes

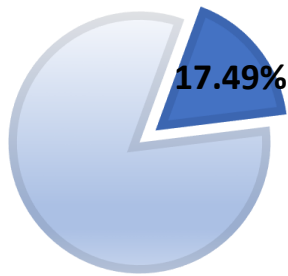
Benefits represent 22.52% of total expenditures and increased at a historical average annual rate of 4.24%. This category of expenditure is projected to grow at an annual average rate of 8.06% through fiscal year 2029. The projected average annual rate of change is 3.82% more than the five year historical annual average.

The second largest single component of the district's expenditures are related to employee fringe benefits. Health insurance is the primary expense in the Benefits category. The district's Health Care Committee was influential in the decision to transition from a self insured arrangement to joining Suburban Health Consortium (SHC) on January 1, 2013. Effective 10/01/2021, all employees were subject to the provisions of Working Spouse Language thus reducing the premium costs associated with family plans by 15%. Health insurance premiums increased 9% in FY19, 4.69% in FY20, 0% in FY21, 2% in FY22, 6.7% in FY23, 13% in FY24 and 11.59% in FY25. SHC experienced decreased utilization at the onset of the pandemic; however, is experiencing a large increase in utilization post pandemic. A 13% annual increase in premium is modeled throughout the forecast. SHC transitioned to a new medical carrier effective 04/01/2024 in an effort to help reduce insurance costs.

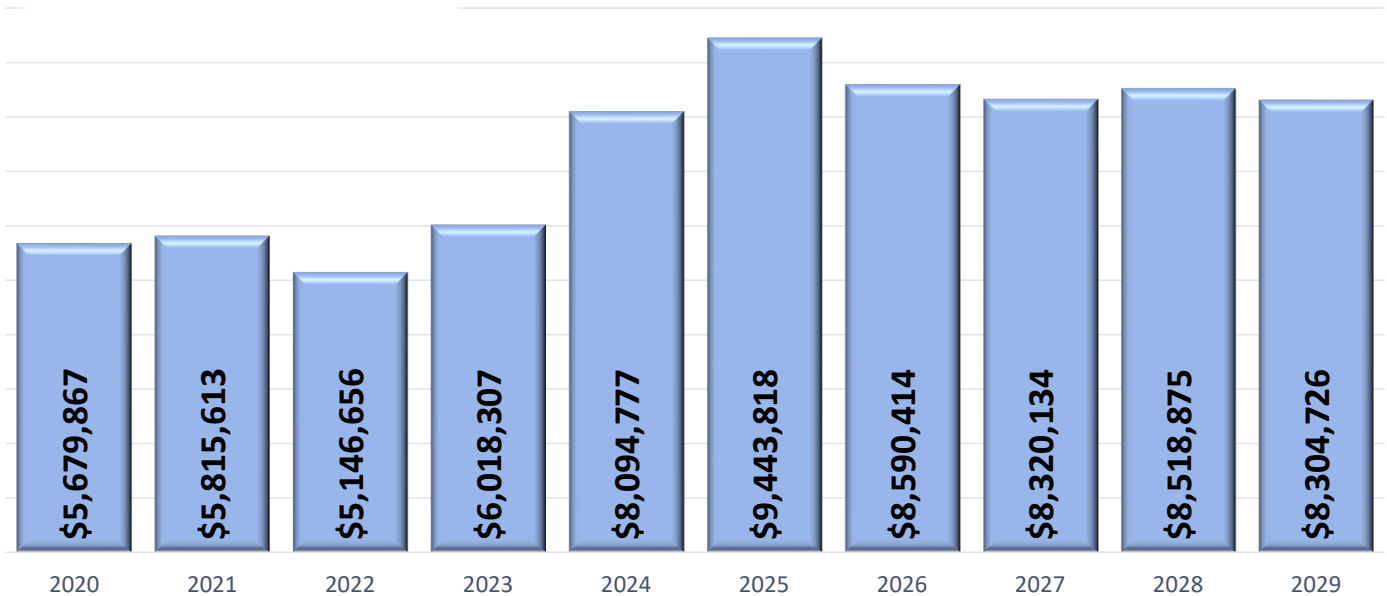


### 3.030 - Purchased Services

Amounts paid for services rendered by personnel who are not on the payroll of the school district, expenses for tuition paid to other districts, utility costs and other services which the school district may purchase.



Purchased Services account for 17.49% of the district's total general fund spending.



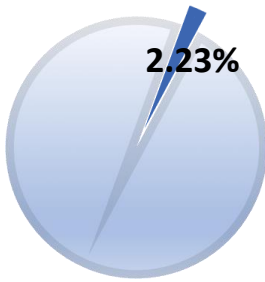
#### Key Assumptions & Notes

Purchased Services represent 17.49% of total expenditures and increased at a historical average annual rate of 8.14%. This category of expenditure is projected to grow at an annual average rate of 0.87% through fiscal year 2029. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted for district educated enrollment, thereby reducing district tuition costs for open enrollment 'out,' community schools, STEM, and scholarship students. This change resulted in lower district costs, but also less per pupil state revenue since per pupil funding is now paid directly by the state to the district students attend.

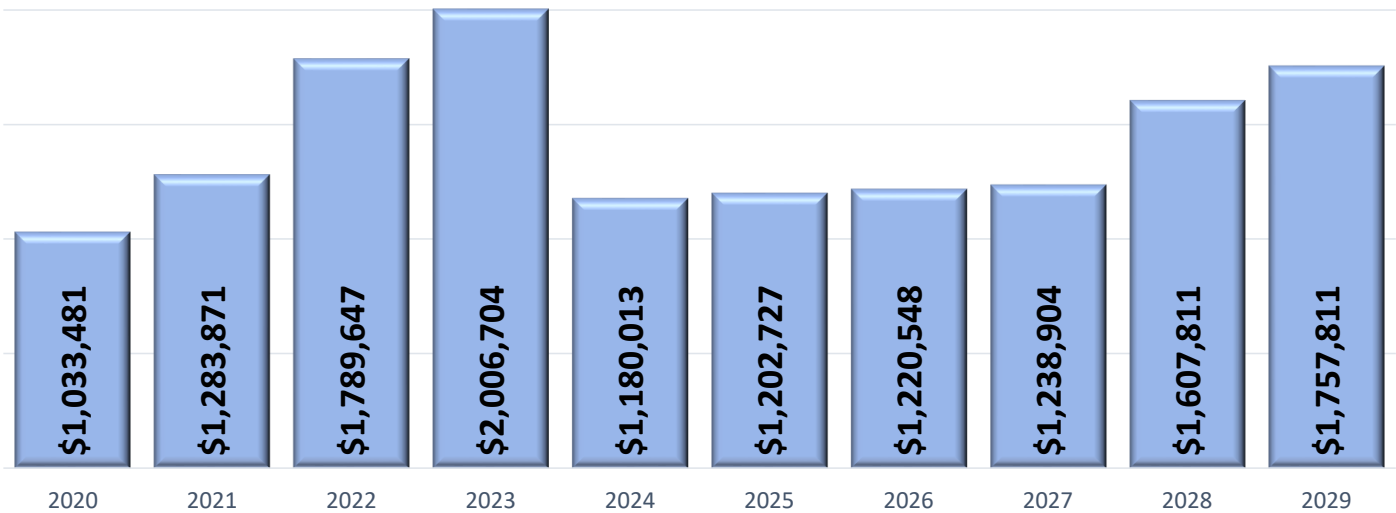
Purchased services expenditures will increase in FY25 by approximately \$1.5 million. Partial roof replacements of sections B & I at Troy will be replaced. Sections K, I, L and N at Learwood are critical for replacement as they are being repaired frequently. The track at Learwood is also budgeted for FY25. Deferred maintenance of partial roof sections U and L at the High School along with replacement of boiler #1 are budgeted into the forecast should they be needed in FY25. FY26 includes partial roof replacement and HVAC Controls at Erieview and Eastview. FY27 includes partial roof replacement at Westview. FY28 includes partial roof replacement of section G at Eastview and section E at Erieview. An emergency contingency is factored into each year of the forecast for boilers, roofs, etc. Due to the November 2024 levy failures, the district will proceed with the closure of Erieview Elementary at the end of the 2024-2025 school year. The building will need to be abated and demolished; therefore, the cost savings associated with the closure are projected to be realized in FY27.

### 3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



Supplies and Materials account for 2.23% of the district's total general fund spending.



#### Key Assumptions & Notes

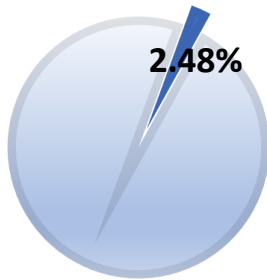
Supplies & Materials represent 2.23% of total expenditures and increased at a historical average annual rate of 3.27%. This category of expenditure is projected to grow at an annual average rate of 8.80% through fiscal year 2029. The projected average annual rate of change is 5.53% more than the five year historical annual average.

The district has factored in the following new textbook adoptions:

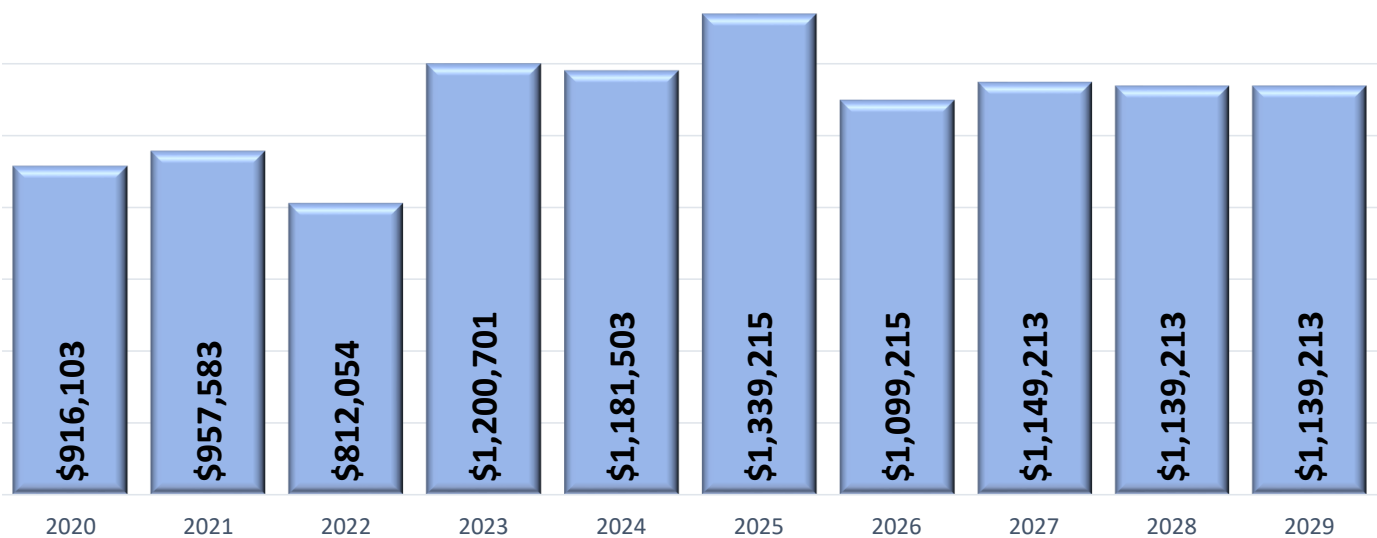
- FY25 Social Studies approximately \$400,000
- FY26 Science approximately \$400,000
- FY27 World Language approximately \$400,000
- FY28 Math approximately \$900,000
- FY29 ELA approximately \$900,000

### 3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



Capital Outlay account for 2.48% of the district's total general fund spending.



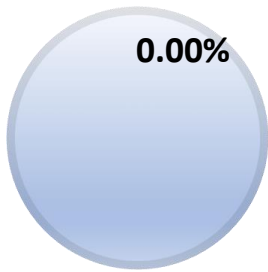
#### Key Assumptions & Notes

Capital Outlay represent 2.48% of total expenditures and increased at a historical average annual amount of \$62,979. This category of expenditure is projected to decrease at an annual average rate of \$8,458 through 2029. The projected average annual change is less than the five year historical annual average.

Chromebook replacement at various grade levels is modeled throughout the forecast. FY24 includes the replacement of tennis courts at the High School. Bid day savings were not recognized as hoped, so the district is carefully evaluating the alternates and anticipate a decision soon on which plan will be recommended. Maintenance truck replacement will begin in FY25 on a rotating basis every other year. A transportation van is factored into the forecast in FY26. The district has historically utilized Permanent Improvement (PI) funds to purchase items such as school buses, maintain roofs and parking lots thus reducing General Fund (GF) expenditures. The maintenance and repairs associated with our 7 buildings has outpaced the revenue being generated by the PI levy, which generates approximately \$700,000 annually. As PI expenses continue to rise the GF has had to cover costs it historically hasn't incurred. In FY20 the GF purchased 3 scoreboards totaling \$239,362, which the Athletic Fund was to begin reimbursing over 5 years through advertising revenue. The pandemic delayed the timing of this payback as the Athletic Fund had a negative cash balance at fiscal year end. Repayment began in FY23 as funds were available in the Athletic Fund and are reflected in the Total Other Financing Sources line item.

### 3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.



Intergovernmental and Debt account for 0.00% of the district's total general fund spending.

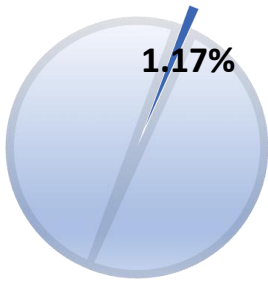
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2020	2021	2022	2023	2024	2025	2026	2027	2028	2029

#### Key Assumptions & Notes

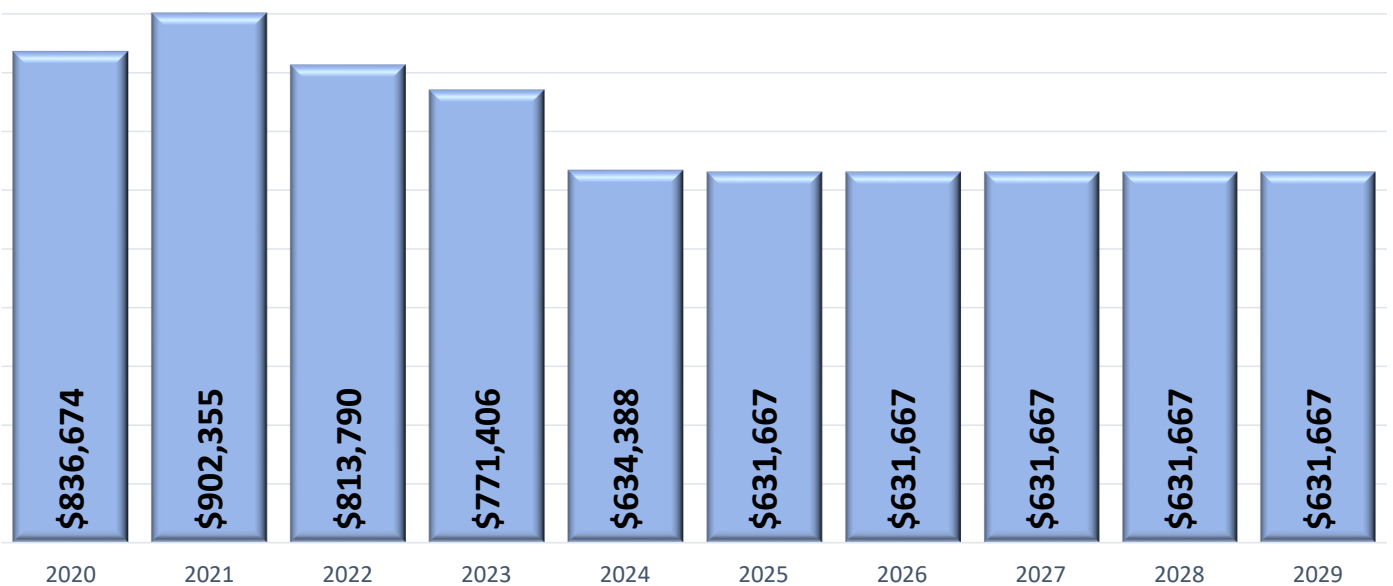
The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

### 4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects account for 1.17% of the district's total general fund spending.

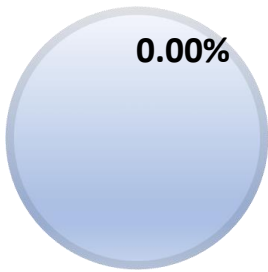


Key Assumptions & Notes

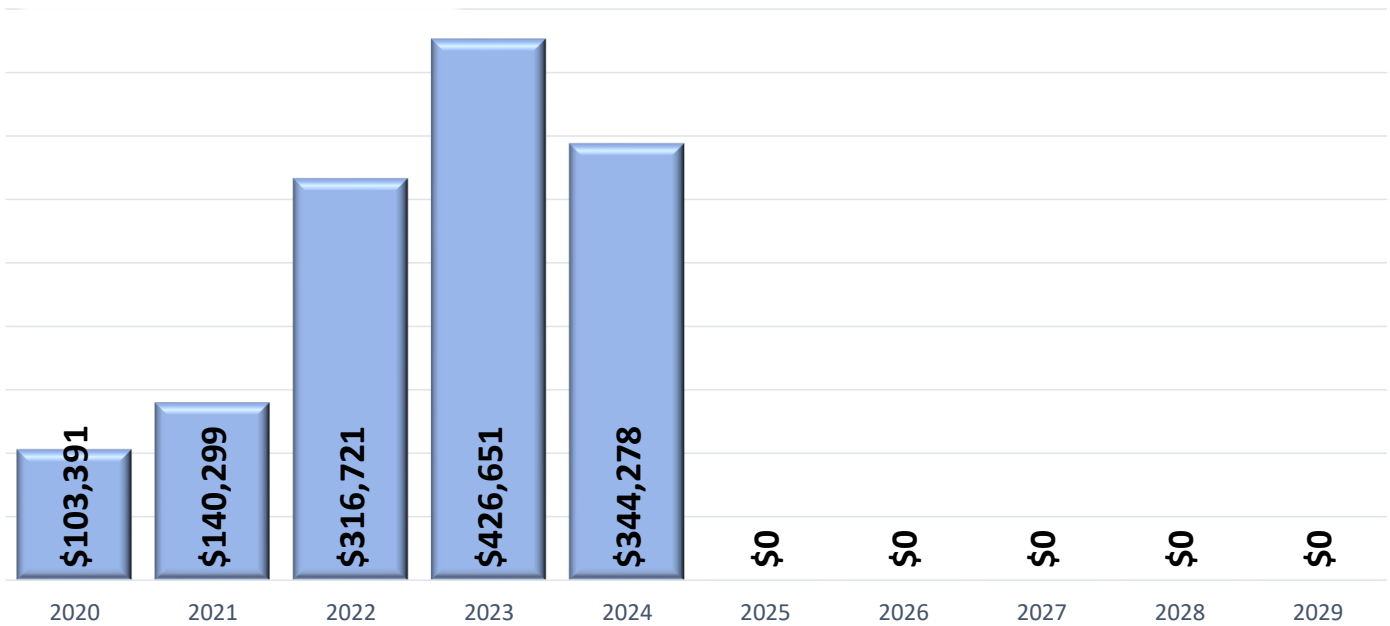
Other Objects represent 1.17% of total expenditures and decreased at a historical average annual rate of -4.66%. This category of expenditure is projected to decrease at an annual average rate of 0.09% through fiscal year 2029. The projected average annual rate of change is 4.58% more than the five year historical annual average.

### 5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



Other Uses account for 0.00% of the district's total general fund spending.



**Key Assumptions & Notes**

	FORECASTED					
	2024	2025	2026	2027	2028	2029
Transfers Out	60,106	-	-	-	-	-
Advances Out	284,173	0	0	0	0	0
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In 2024 the district had advances-out and has no advances-out forecasted through fiscal year 2029. The district can also move general funds permanently to other funds, and as the schedule above presents, the district has no transfers forecasted through fiscal year 2029. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

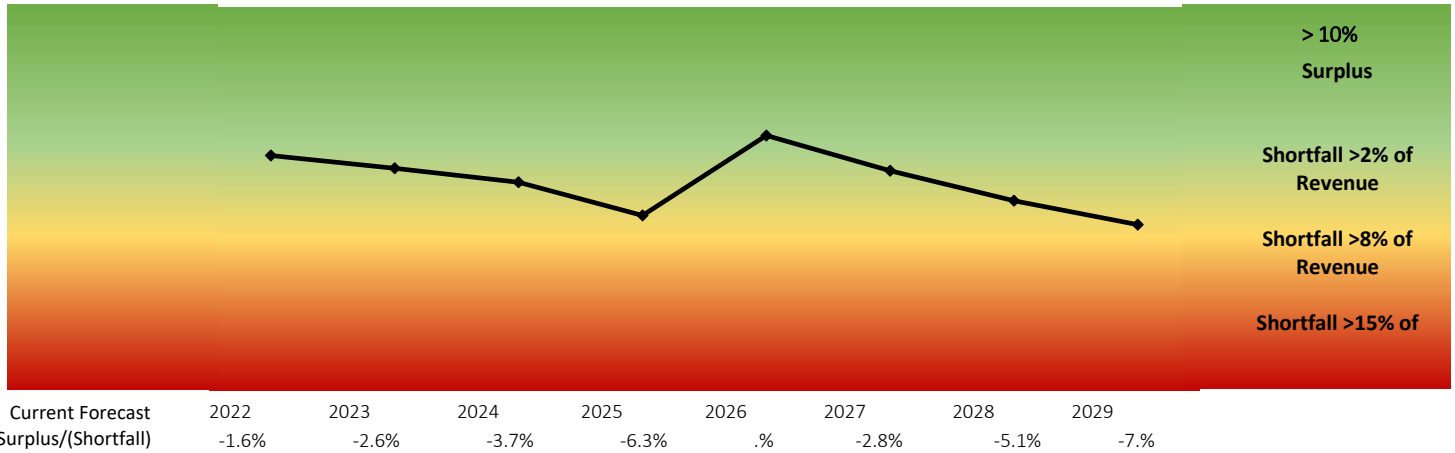
# Avon Lake City School District

Five Year Forecast

## November Fiscal Year

Fiscal Year:	Actual	FORECASTED				
	2024	2025	2026	2027	2028	2029
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	32,791,180	36,071,533	39,219,791	39,499,239	41,015,095	42,412,849
1.020 - Public Utility Personal Property	4,137,134	3,720,774	3,784,675	3,843,994	3,874,068	3,903,728
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	3,890,160	4,084,049	4,386,760	4,625,118	4,707,513	4,708,093
1.040 - Restricted Grants-in-Aid	536,160	379,162	386,339	390,154	390,242	385,682
1.050 - State Share-Local Property Taxes	4,376,469	4,826,537	5,248,286	5,288,883	5,508,453	5,727,455
1.060 - All Other Operating Revenues	2,300,397	1,388,577	1,053,577	1,053,577	1,053,577	1,053,577
<b>1.070 - Total Revenue</b>	<b>48,031,499</b>	<b>50,470,632</b>	<b>54,079,428</b>	<b>54,700,965</b>	<b>56,548,948</b>	<b>58,191,384</b>
<b>Other Financing Sources:</b>						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	12,512	8,193	-	-	-	-
2.050 - Advances-In	423,208	284,173	-	-	-	-
2.060 - All Other Financing Sources	9,891	35,289	(0)	(0)	(0)	(0)
<b>2.070 - Total Other Financing Sources</b>	<b>445,610</b>	<b>327,655</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>48,477,110</b>	<b>50,798,287</b>	<b>54,079,428</b>	<b>54,700,965</b>	<b>56,548,948</b>	<b>58,191,384</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	27,844,260	29,217,772	30,145,422	31,374,319	32,790,858	34,274,771
3.020 - Employee Benefits	10,991,473	12,159,135	12,408,467	13,513,694	14,767,865	16,163,031
3.030 - Purchased Services	8,094,777	9,443,818	8,590,414	8,320,134	8,518,875	8,304,726
3.040 - Supplies and Materials	1,180,013	1,202,727	1,220,548	1,238,904	1,607,811	1,757,811
3.050 - Capital Outlay	1,181,503	1,339,215	1,099,215	1,149,213	1,139,213	1,139,213
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	634,388	631,667	631,667	631,667	631,667	631,667
<b>4.500 - Total Expenditures</b>	<b>49,926,413</b>	<b>53,994,334</b>	<b>54,095,733</b>	<b>56,227,931</b>	<b>59,456,290</b>	<b>62,271,219</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	60,106	-	-	-	-	-
5.020 - Advances-Out	284,173	0	0	0	0	0
5.030 - All Other Financing Uses	-	-	-	-	-	-
<b>5.040 - Total Other Financing Uses</b>	<b>344,278</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>50,270,692</b>	<b>53,994,334</b>	<b>54,095,733</b>	<b>56,227,932</b>	<b>59,456,290</b>	<b>62,271,220</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>(1,793,582)</b>	<b>(3,196,047)</b>	<b>(16,305)</b>	<b>(1,526,967)</b>	<b>(2,907,342)</b>	<b>(4,079,836)</b>
<b>7.010 - Cash Balance July 1 (No Levies)</b>	<b>12,984,594</b>	<b>11,191,012</b>	<b>7,994,965</b>	<b>7,978,660</b>	<b>6,451,693</b>	<b>3,544,350</b>
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>11,191,012</b>	<b>7,994,965</b>	<b>7,978,660</b>	<b>6,451,693</b>	<b>3,544,350</b>	<b>(535,486)</b>
		<b>Reservations</b>				
8.010 - Estimated Encumbrances June 30	2,258,117	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>8,932,895</b>	<b>6,494,965</b>	<b>6,478,660</b>	<b>4,951,693</b>	<b>2,044,350</b>	<b>(2,035,486)</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>8,932,895</b>	<b>6,494,965</b>	<b>6,478,660</b>	<b>4,951,693</b>	<b>2,044,350</b>	<b>(2,035,486)</b>
<b>Revenue from New Levies</b>						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>8,932,895</b>	<b>6,494,965</b>	<b>6,478,660</b>	<b>4,951,693</b>	<b>2,044,350</b>	<b>(2,035,486)</b>

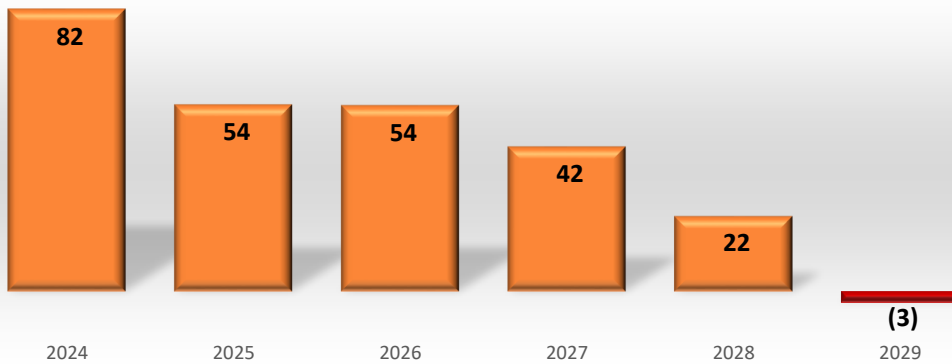
Revenue Surplus/(Shortfall) - Current Forecast



The district is trending toward revenue shortfall with the expenditures growing faster than revenue. A revenue increase of 7.01% is needed to balance the budget in fiscal year 2029, or a \$4,079,836 reduction in expenditures.

- The largest contributor to the projected revenue trend is the change in Real Estate.
- The expenditure most impacting the changing trend is Salaries.

Days Cash on Hand - Current Forecast

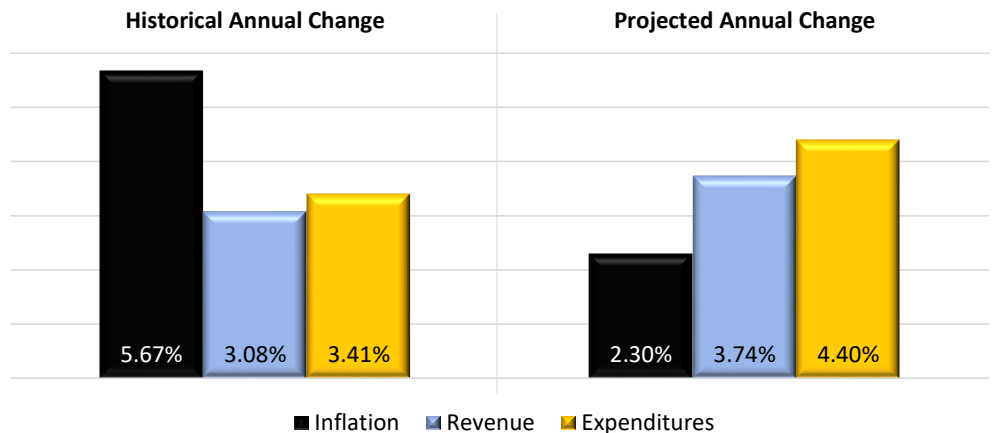


Days cash on hand is projected to decline and is projected to be negative by 2029.

\*based on 365 days

5-Year Average Annual Change - Inflation, Revenue and Expenditures

Average projected annual expenditure change is greater than inflation, and more than revenue.



CPI (Inflation) Source: Federal Reserve Bank of St. Louis (September 23, 2024) <https://alfred.stlouisfed.org>